

Gansler Issues New Performance-Based Services Acquisition (PBSA) Guidance



ACQUISITION AND
TECHNOLOGY

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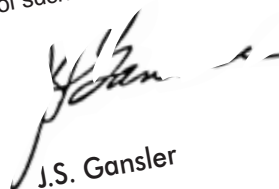
MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
DIRECTORS, DEFENSE AGENCIES
DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Performance-Based **Services** Acquisition (**PBSA**)

As services become an increasingly significant component of what the Department buys, we must ensure that we acquire them effectively and efficiently. That is why the use of performance-based acquisition strategies for services remains among my highest priorities. This is important for all functional communities involved in the service acquisition process. It is the policy of the Department of Defense (DOD) that, in order to maximize performance, innovation, and competition, often at lower cost, performance-based strategies for the acquisition of services are to be used wherever possible. While not all acquisitions for services can be conducted in a performance-based manner, the vast majority can. Those cases in which performance-based strategies are not employed should become the exceptions.

In order to ensure that the Department continually realizes these savings and performance gains, I establish, at a minimum, that **50** percent of service acquisitions, measured both in dollars and actions, are to be performance-based by the year **2005**. To achieve this goal, I further direct that the Military Departments and the Defense Logistics Agency develop a **PBSA** implementation plan to increase the use of performance-based service acquisition strategies within their organizations not later than **60** days from the date of this memorandum. In addition, training is essential to increasing performance-based acquisition for services, and I am committed to providing to the acquisition workforce the training and tools needed to define, acquire, and manage service requirements efficiently and effectively. For example, the National Association of Purchasing Management and the National Contract Management Association have each collaborated in the development of a **PBSA** course, available via the Internet or for on-site team training. I ask that you ensure that your relevant workforce take this or equivalent performance-based services acquisition training within the next 12 months. As well, **PBSA** templates and guidebooks will be available to the entire workforce by May **2000**.

The attachment provides the necessary details regarding the **PBSA** implementation plan, training requirements, and other Department-wide **PBSA** initiatives. The use of true performance-based strategies for the acquisition of services offers great benefits to the Department. I look forward to your efforts to ensure the fullest possible implementation of such strategies.


J.S. Gansler

Attachment
As stated



Editor's Note: This information is in the public domain. To download the attachment to Dr. Gansler's memorandum, go to the Defense Acquisition Reform Web site at <http://www.acq.osd.mil/ar/vpreport8-99/mainmenu.htm>.